

106TH CONGRESS  
2D SESSION

# H. R. 4673

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## AN ACT

To assist in the enhancement of the development and expansion of international economic assistance programs that utilize cooperatives and credit unions, and for other purposes.



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To assist in the enhancement of the development and expansion of international economic assistance programs that utilize cooperatives and credit unions, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2   *tives of the United States of America in Congress assembled,*

1 **SECTION. 1. SHORT TITLE**

2       This Act may be cited as the “Support for Overseas  
3 Cooperative Development Act”.

4 **SEC. 2. FINDINGS**

5       The Congress makes the following findings:

6           (1) It is in the mutual economic interest of the  
7 United States and peoples in developing and transi-  
8 tional countries to promote cooperatives and credit  
9 unions.

10          (2) Self-help institutions, including cooperatives  
11 and credit unions, provide enhanced opportunities  
12 for people to participate directly in democratic deci-  
13 sion-making for their economic and social benefit  
14 through ownership and control of business enter-  
15 prises and through the mobilization of local capital  
16 and savings and such organizations should be fully  
17 utilized in fostering free market principles and the  
18 adoption of self-help approaches to development.

19          (3) The United States seeks to encourage  
20 broad-based economic and social development by cre-  
21 ating and supporting—

22           (A) agricultural cooperatives that provide a  
23 means to lift low income farmers and rural peo-  
24 ple out of poverty and to better integrate them  
25 into national economies;

1 (B) credit union networks that serve peo-  
2 ple of limited means through safe savings and  
3 by extending credit to families and microenter-  
4 prises;

5 (C) electric and telephone cooperatives that  
6 provide rural customers with power and tele-  
7 communications services essential to economic  
8 development;

9 (D) housing and community-based co-  
10 operatives that provide low income shelter and  
11 work opportunities for the urban poor; and

12 (E) mutual and cooperative insurance com-  
13 panies that provide risk protection for life and  
14 property to under-served populations often  
15 through group policies.

16 **SEC. 3. GENERAL PROVISIONS.**

17 (a) DECLARATIONS OF POLICY.—The Congress sup-  
18 ports the development and expansion of economic assist-  
19 ance programs that fully utilize cooperatives and credit  
20 unions, particularly those programs committed to—

21 (1) international cooperative principles, demo-  
22 cratic governance and involvement of women and  
23 ethnic minorities for economic and social develop-  
24 ment;

1           (2) self-help mobilization of member savings  
2           and equity, retention of profits in the community,  
3           except those programs that are dependent on donor  
4           financing;

5           (3) market-oriented and value-added activities  
6           with the potential to reach large numbers of low in-  
7           come people and help them enter into the main-  
8           stream economy;

9           (4) strengthening the participation of rural and  
10          urban poor to contribute to their country's economic  
11          development; and

12          (5) utilization of technical assistance and train-  
13          ing to better serve the member-owners.

14          (b) DEVELOPMENT PRIORITIES.—Section 111 of the  
15          Foreign Assistance Act of 1961 (22 U.S.C. 2151i) is  
16          amended by adding at the end the following: “In meeting  
17          the requirement of the preceding sentence, specific priority  
18          shall be given to the following:

19                 “(1) AGRICULTURE.—Technical assistance to  
20                 low income farmers who form and develop member-  
21                 owned cooperatives for farm supplies, marketing and  
22                 value-added processing.

23                 “(2) FINANCIAL SYSTEMS.—The promotion of  
24                 national credit union systems through credit union-  
25                 to-credit union technical assistance that strengthens

1 the ability of low income people and micro-entre-  
2 preneurs to save and to have access to credit for  
3 their own economic advancement.

4 “(3) INFRASTRUCTURE.—The establishment of  
5 rural electric and telecommunication cooperatives for  
6 universal access for rural people and villages that  
7 lack reliable electric and telecommunications serv-  
8 ices.

9 “(4) HOUSING AND COMMUNITY SERVICES.—  
10 The promotion of community-based cooperatives  
11 which provide employment opportunities and impor-  
12 tant services such as health clinics, self-help shelter,  
13 environmental improvements, group-owned busi-  
14 nesses, and other activities.”.

15 **SEC. 4. REPORT.**

16 Not later than 6 months after the date of the enact-  
17 ment of this Act, the Administrator of the United States  
18 Agency for International Development, in consultation  
19 with the heads of other appropriate agencies, shall prepare  
20 and submit to Congress a report on the implementation

1 of section 111 of the Foreign Assistance Act of 1961 (22  
2 U.S.C. 2151i), as amended by section 3 of this Act.

Passed the House of Representatives September 19,  
2000.

Attest:

*Clerk.*